VZCZCXYZ0002 PP RUEHWEB

DE RUEHSG #0093/01 0152020
ZNY CCCCC ZZH
P 152020Z JAN 06
FM AMEMBASSY SANTIAGO
TO RUEHC/SECSTATE WASHDC PRIORITY 8230
INFO RUEHLP/AMEMBASSY LA PAZ JAN 4427
RUEHPE/AMEMBASSY LIMA PRIORITY 4404
RUEHBU/AMEMBASSY BUENOS AIRES PRIORITY 2846
RUEHPU/AMEMBASSY PORT AU PRINCE PRIORITY 0135
RUEHCV/AMEMBASSY CARACAS PRIORITY 0843
RUEHQT/AMEMBASSY QUITO PRIORITY 1514
RUEKJCS/SECDEF WASHDC PRIORITY
RHMFISS/HQ USSOUTHCOM MIAMI FL PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SANTIAGO 000093

SIPDIS

SIPDIS

E.O. 12958: DECL: 01/15/2016

TAGS: PGOV PREL MARR MASS OVIP CI
SUBJECT: CHILE: MINISTER OF DEFENSE BRIEFS CODEL MCCONNELL
ON CHILE'S REGIONAL CONCERNS AND DEFENSE PLANS

Classified By: Ambassador Craig Kelly for reasons 1.4(b) and (d).

- (C) Summary: Chilean Minister of Defense Jaime Ravinet told members of CODEL McConnell January 12 that Chile was the United States' "most reliable partner in the region. Ravinet shared his concerns about neighboring countries' leftward drift and their propensity to use Chile as a straw man. Ravinet said Chile's military policy is one of responsible, credible deterrence, while its fiscal policy emphasizes strict responsibility, focusing social spending on the poorest sector of society. Ravinet also reaffirmed Chile's strong commitment to multilateralism; he opined Chile would stay the course in Haiti; suggested the U.S. turn Iraq's reconstruction over to the United Nations; and said Chile would soon ratify its accession to the International Criminal Court. Ravinet said the Lagos Administration was striving to find an accommodation that would avoid the imposition of U.S. sanctions under the American Servicemember and Citizen Protection Act. End Summary.
- $\underline{^{1}2}$. (U) Minister of Defense Ravinet was accompanied by Under Secretary of the Navy, Gonzalo Garcia; Minister of Defense

SIPDIS

(MOD) International Affairs Advisor Maria Inez Ruz; MOD International Affairs Director of the Joint Staff Col. Guillermo Castro; and Auditor General of the Joint Staff Commander Claudio Escudero. Attending for the U.S. were Senator Mitch McConnell; Senator Mel Martinez; Senator Richard Burr; Senator John Thune; Staff Director, Appropriations Sub-Committee for Foreign Operations Paul Grove; Professional Staff Member, Appropriations Sub-Committee for Foreign Operations Tom Hawkins; Staff Member, Office of Senator McConnell, Reb Brownell; Attending Physician Admiral John Eisold; Ambassador Craig Kelly; Acting Defense Attache Col. Robert Scott; and Political Officer Jeffrey Galvin.

Chile is your most reliable partner...

13. (C) Senator McConnell noted that for three of the four visiting Senators this was a first visit to Chile, and that the country gave the appearance of progress and great success. Ravinet said Chile still had high levels of poverty, but unlike other Latin American countries, rather

than blaming the "Washington consensus" for its problems, Chile had pursued policies of fiscal responsibility and tightly focused its social assistance programs on the most impoverished sectors of society. This focus and fiscal responsibility is the big difference between Chile and its neighbors.

¶4. (C) Senator McConnell asked what Ravinet saw as Chile's greatest challenge. Ravinet replied as Minister of Defense, it was having defense forces with enough deterrent power to secure Chile's borders. He said Chile had no territorial aspirations, but is modernizing and professionalizing its armed forces, making Chile the United States' "most reliable partner in this part of the world." Ravinet said that Chile was committed to peacekeeping operations; would continue its deployment in Haiti through June and hopefully beyond; and was considering increasing its commitments in Bosnia and other areas.

Regional Stress Lines

- ¶5. (C) Noting the election of Evo Morales in Bolivia, Senator McConnell asked Ravinet what impact this would have on relations. Ravinet replied, "We don't quite agree on the northern borders." He said Bolivia continued to press for an outlet to the sea, while Peru would like to regain territory in Chile's northern desert as well. Chile is one of the primary sources of foreign direct investment in Peru, and essentially extends a "unilateral FTA" to Bolivia, allowing Bolivian goods to transit Chile duty free. Still, politicians in Peru and Bolivia use anti-Chile sentiment as a rallying point, and while the attacks are generally rhetorical, Chile must maintain a credible military deterrent.
- 16. (C) Ravinet contrasted the situation in the north to that with Argentina, where "historic border disputes have given way to historic cooperation." Chile and Argentina conduct joint military exercises and patrols, and use an ECLAC-developed formula to exchange information on defense expenditures. Chile and Argentina plan to create a joint combined peacekeeping force, and Ravinet stated that Chilean and Argentine forces in Haiti are going to develop a joint command structure.

Political Developments in Bolivia and Peru

- 17. (C) Senator Martinez asked about the broader regional issue of Venezuela President Hugo Chavez' irresponsible behavior, and the implications of Bolivian President-elect Morales' apparent ties to Chavez and Fidel Castro. Ravinet replied that it was impossible to predict the future. Morales was a better result for Bolivia than Quiroga would have been, as Morales had a chance to stop the cycle of instability. If Morales acted responsibly, he should have some resources to begin addressing poverty and long-standing social issues in Bolivia. Bolivia has suffered from poor governance over the last few years. According to Ravinet, the greatest obstacle to resolving bilateral issues with Bolivia has been the lack of a stable negotiating partner.
- 18. (C) Ravinet said Peru was a contradiction economically the country is performing well, with steady growth and healthy rates of investment. However, governance is poor, institutions are weak and the administration unpopular. Ravinet was concerned about Ollanta Humala's rise in the polls, saying if elected, Humala could increase Peru's instability. According to Ravinet, in the last two elections Peru elected relative unknowns from outside the political establishment -- current President Toledo and former President Fujimori -- and Humala fits that same mold. Ravinet noted the instability in Ecuador as well, saying, "The changes underway are going to make this a more difficult area."

- 19. (C) Senator Burr noted the excellent military to military relations we enjoy, and reminded Ravinet that President Bush would like to strengthen relations with Chile across the board. Despite our original disagreement about whether to intervene in Iraq, at this point would Chile agree the U.S. and international community have to stay and finish the job? Ravinet said this was a hard question, because the GOC agreed with the U.S. on so many of the essentials. (Post Note: Although opposing the resolution to use force in Iraq, while on the Security Council Chile supported all subsequent resolutions concerning the administration and reconstruction of Iraq under the coalition and transitional government. End Note.)
- ¶10. (C) Ravinet said the GOC's position was that the decision to use force, except in case of attack, should have been taken by the international community. In deciding to remove a dictator or restore democracy, the decision should not be taken unilaterally. Contrasting U.S. involvement in Iraq with Vietnam, Ravinet said the U.S. was slowly drawn into Vietnam and had not anticipated its eventual entrenchment there. In Iraq the U.S. had taken the decision to invade and occupy a sovereign country. The costs for the U.S. were very high, but a pull out at this point would be disastrous. Ravinet said the U.S. should consider fully turning security and reconstruction efforts over to the UN. Senator Burr noted that the EU 3 had referred the Iran nuclear issue to the UN, and the UN's response would be watched closely as an indicator of the UN's willingness and capacity to deal with serious security issues.

The International Criminal Court and Article 98

 $\P 11.$ (C) Senator Thune said the U.S. sees Chile playing a critical political and strategic role in the region, and we share concerns about increasing instability. As a member of the Armed Services Committee, Senator Thune supported the F-16 sale and wanted the flow of security assistance and

technology to Chile to remain open. The symbolism of our cooperation is very important in the region. However, Chile's impending ratification of the International Criminal Court (ICC) was a sticking point - the American Servicemember and Citizen Protection Act (ASPA) has real teeth and the U.S. Congress takes this issue seriously.

- 112. (C) Ravinet thanked Senator Thune for raising the ICC and ASPA. Ravinet noted for Chile the most important aspect was not defense materials, but the training and personal relations the militaries enjoyed. The U.S. and Chile "have a long-standing treaty for military cooperation and the cooperation is excellent and important." However, political support for ratifying the ICC spans Chile's political spectrum, and passage is virtually assured. The ICC was not only a domestic issue, Ravinet explained. With most countries in the region already ICC members, Chile was not winning any friends by remaining outside. Ratifying the treaty would be an act of regional solidarity.
- 113. (C) The same logic applied to an Article 98 agreement. Ravinet said, "There is no political floor (sic) to discuss an Article 98 here." Only Colombia in the region had an acknowledged agreement with the U.S. It was important to find a solution that would save face for Chile while allowing the close relationship with the U.S. to continue. Ravinet observed, "There are ways around the problem in the law...we need to find an imaginative way to solve the problem." Ravinet noted specifically that ASPA provided for a Presidential waiver of sanctions. He said it was important to solve the sanctions issue before Chile ratified the ICC, and the GOC had delayed consideration of the measure in Congress to open a space to do so. However, the Lagos administration wanted to ratify before leaving office in March. "We have to do this hard and fast," Ravinet said.

114. (C) At the end of the meeting, Ravinet called the Ambassador and Senator Martinez aside for a brief discussion of options for addressing Article 98. Ravinet said the GOC was considering extending SOFA-type protections to a small group of "strategic allies (countries)," and expressed the hope that this could be the basis for an agreement that would avoid ASPA sanctions. Ravinet added that President Lagos wanted to resolve this issue while he was still in office and not hand it off to his successor. KELLY